

ABSTRACT

Mines & Minerals - Sanction of an amount of Rs.2,00,00,000/- towards meeting the expenditure for feasibility study of laying of railway line from Bailadella of Chhattisgarh State to Ulvanoor of Bhadradi- Kothagudem District, Telangana State - Administrative sanction- Accorded - Orders - Issued.

INDUSTRIES AND COMMERCE (M-II) DEPARTMENT

G.O.Rt.No. 10

Dated: 06-02-2018

Read the following:-

1. From the Director of Mine & Geology, Hyderabad, file No.15099/P/2017, dated 31.10.2017.
2. G.O.Rt.No.30, Finance (EBS.VII) Department, dated:16.01.2018.

ORDER:-

In the reference 1st read above, the Director of Mines & Geology, Hyderabad has stated that as per Section 93 of the A.P. Reorganization Act, 2014 read with thirteenth Schedule under 'infrastructure development', the Central Government shall take all necessary measures for establishment of an integrated steel plant in Khammam (now Bhadradi-Kothagudem District) by Steel Authority of India Limited (SAIL). Accordingly, a team of SAIL officials visited Khammam in May, 2014 for short listing area for establishment of steel plant. The SAIL requested the State Government for furnishing the details on the availability of 200 Million Tonns of specified grade Iron Ore in addition to other raw materials, subsidies and concessions. As per GSI preliminary reports, about 302 Million Tonnes of various grades of Iron Ore is available in the State and necessitate resource evaluation to ascertain the suitability for SAIL requirement.

2. The Director of Mines & Geology, Hyderabad has further stated that the State Government vide G.O.Ms.No.14, Ind.&Com.Dept, dt.12.02.2015 notified an area of 100 Sq.Km for "Reassessment of Iron Ore deposits around Bayyaram area, Khammam and Warangal Districts", by Geological Survey of India under MoU with the Department of Mines & Geology. The GSI furnished report on the Reassessment of Iron Ore deposits around Bayyaram area. The GSI report proves that the estimated reserves of Iron Ore with cut off >45% Fe is around 10.80 Million Tonnes whereas the requirement of SAIL is 200 Million Tonnes.

3. The Director of Mines & Geology, Hyderabad has also stated that the Chairperson of Task Force constituted at the Ministry of Steel, New Delhi to review the progress on establishment of steel plant by SAIL, has advised the State Government to work out the feasibility of sourcing Iron Ore from National Mineral Development Corporation (NMDC)'s Bailadilla Iron Ore Mine located at Chhattisgarh through slurry mode or Rail link. M/s NMDC limited vide their letter dated 10.08.2017 submitted feasibility report along with SWOT analysis, stating that NMDC is inclined to supply Iron Ore through Railway Line and requested the State Government to take up the matter with Ministry of Railways for laying of railway line from Bailadilla to Manuguru and from Kothagudem to Ulvanoor, Bhadradi- Kothagudem District. Based on the willingness of NMDC, the Chief Secretary to Government has addressed a D.O.Letter dated 04.09.2017 to the Chairman & Managing Director, Rail Vikas Nigam Limited to come up with proposals for conduct of feasibility study for laying of railway line from Bailadilla to Manuguru and from Kothagudem to Ulvanoor, Bhadradi- Kothagudem District. In response, the RVNL vide their Letter dated 03.10.2017 informed that they are willing to undertake feasibility study regarding rail connectivity from NMDC Iron Ore Mines at bailadella, Chattisgarh State to the proposed Steel Plant site at Ulvanoor, Bhadradi-Kothagudem District, Telangana. The proposed rail alignment would be roughly covering a route length of about 175 Km, out of which around 40% would be passing through forest area. There is a possibility of two tunnels of approximately 200 meter length each would be constructed on this alignment. The cost of carrying out the feasibility study would be approximately Rs.2.00 Crores and requested the Government of Telangana to deposit Rs.2.00 Crores with RVNL so that the feasibility study may be initiated.

4. The Director of Mines & Geology, Hyderabad has therefore, requested the Government to arrange to deposit an amount of Rs.2.00 Crores with Rail Vikas Nigam Limited so as to initiate the feasibility study.

5. In the reference 2nd read above, the Finance Department have issued Budget Release Order for an amount of Rs.2.00 Crores (Rupees two crores) Scheme as additional funds under the Head of Account "2853-02-190-25-08-500-503" in relaxation of treasury control and

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quarterly regulation orders by way of obtaining supplementary estimates during Financial Year 2017-18 towards meeting the expenditure for feasibility study of laying of railway line from at Bailadella, Chhattisgarh State to Ulvanoor, Bhadradri- Kothagudem District of Telangana State.

6. Government, after careful examination of the proposal of Director of Mines & Geology, Hyderabad and in pursuance of the Budget Release Orders issued by the Finance (EBS-VII) Department in the reference 2nd read above, hereby issues an administrative sanction for an amount of Rs.2.00 Crores (Rupees Two Crores only) Schemeas additional funds under the Head of Account “2853-02-190-25-08-500-503” in relaxation of treasury control and quarterly regulation orders by way of obtaining supplementary estimates during Financial Year 2017-18 towards meeting the expenditure for feasibility study of laying of railway line from Bailadella of Chhattisgarh State to Ulvanoor of Bhadradri-Kothagudem District of Telangana State.

7. The Director of Mines and Geology, Hyderabad is hereby authorized to draw the amount sanctioned in para 6 above and adjust into the PD Account No.GA48 and transfer the amount by way of cheque or DD in favour of Rail Vikas Nigam Limited, New Delhi.

8. This order issues as per the Budget Release Order issued vide G.O.Rt.No.30, Finance (EBS-VII) Dept., dt.16.01.2018 and U.O.No.14965/176/EBS-VII/I&C/2017, dated:17.01.2018.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF TELANGANA)

JAYESH RANJAN
PRINCIPAL SECRETARY TO GOVERNMENT & CIP (FAC)

To,
The Director of Mines & Geology, Hyderabad.

Copy to:

The Director of Treasuries and Accounts, Telangana State, Hyderabad.
The Pay and Accounts Officer, Telangana State, Hyderabad.
The Accountant General, Telangana State, Hyderabad.
The Finance (EBS.VII) Dept.,
SF/SC.

//FORWARDED::BY ORDER//

SECTION OFFICER